

be fixed at 60 to the dollar. Excused for the time being from paying \$45 million in foreign debts, Spain would get an injection of \$375 million in additional aid from the U.S., OEEC, the International Monetary Fund, private U.S. concerns.

Given Spain's economic history, the most impressive part of the program is that which concerns discipline at home. Though credit has already been tightened to such a degree that many industries have had to suspend payment of debts, it will get even tighter. Spain has agreed to remove controls on a long list of imports, will set acceptable "global quotas" on others. The government has also ordered a six-month amnesty on the return of all fugitive capital in the hope of rebuilding cash reserves.

Hope for the Best. With so much to do in so short a time, a little confusion was inevitable, but the Franco regime has a special talent for it. Though the whole world knew about the devaluation of the new peseta, the government forgot to inform its own foreign-exchange institute, which tells the banks what to do. Furthermore, many prominent businessmen and politicians, including the Minister of Industry himself, have gone on record as opposed to the program, and while the government austerity drive against monopolies sounds fine on the surface, it excludes those that really count—the monopolies owned by the government itself.

But if all goes well, Spain expects that its reforms may bring in an additional \$125 million a year from tourists, who will no longer buy their pesetas on the black market. The liberalizing of imports and the streamlining of the whole process of giving out import licenses should drastically cut down on the profession of smuggling, which now accounts for one-fourth of Spanish trade. Most important of all, membership in OEEC takes Spain out of limbo and into a Western Europe progressing healthily while Spain has been deteriorating economically.

WEST GERMANY

The Question of Conscience

Fifteen years ago last week, Soviet armies were pressing into Poland, the Western Allies were about to break through at St.-Lô, and no one around the heavy oak table at the Führer's headquarters in Rastenburg, East Prussia, was able to offer much encouragement. "Do you know where the Russian *Panzer* armies are?" demanded Hitler, and got no answer. "Again no information from aerial reconnaissance . . .?" As the dreary conference droned on that sweltering July 20, 1944, a trim, distinguished colonel named Count Claus Schenk von Stauffenberg strolled into the room and, after being greeted by Hitler, casually placed his thick briefcase under the table, as close to the Führer as possible. A few minutes later, the colonel was called outside to the telephone. At 12:50 p.m., his briefcase exploded.

Had it not been for the fact that an officer, who found the briefcase in his



COLONEL VON STAUFFENBERG
Traitor or hero?

way, had just shoved it a few inches to a place behind the thick base of the table and thus provided Hitler with a shield against the blast, World War II might have ended within a few days. As it was, Hitler suffered only a burst eardrum and a bruised arm, was well enough to meet Mussolini at the station that very afternoon. But though the plot of July 20 failed, it later began to haunt the Germans. Were the plotters traitors or heroes? Last week West Germany showed it had finally, officially, made up its mind.

Films for the Führer. The July 20 plotters—a network of diplomats, politicians and clergymen, working with disillusioned generals and colonels—had paid dearly for their pains. As soon as the news went out that Hitler was alive, the Gestapo began its dragnet Operation Thunderstorm, which brought the number of Germans arrested that year to 33,000. Stauffenberg was shot, and every other man, woman and child by that name was ordered arrested. Field Marshal Erwin Rommel chose suicide by poison. At least 600 men were either guillotined or strangled by piano wire suspended from meat hooks, and their final agonies were filmed and sent to the Führer.

But in spite of the sweep of Operation Thunderstorm, the Allies, still wedded to the notion of unconditional surrender, took the position that the July 20 plot was the work of a few desperate Prussian *Junker* "reactionaries" bent opportunistically on salvaging what they could from a hopeless situation. And even Germans who agreed that Hitler was a menace were appalled at the idea of killing off a commander in time of war.

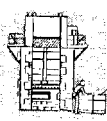
The question of motive became important. As the years passed, 15 books, including one by Allen Dulles (then in charge of U.S. espionage against Germany), were written to show that to an



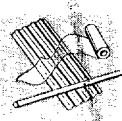
THE SIX FIELDS OF FIRESTONE



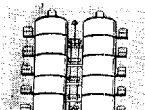
RUBBER



METALS



PLASTICS



SYNTHETICS



TEXTILES



CHEMICALS

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and patriotic attempt to save the honor of a nation. Postwar German courts absolved the plotters of treason, and each July 20, German newspapers have published eulogies of the conspirators. But the old argument about unquestioning loyalty in wartime lived on among diehard anti-July 20 officers, while the rest of the country preferred to forget the incident along with everything else connected with the last years of Hitler. Finally, last March, President Theodor Heuss delivered a speech before the Bundeswehr Officer Training Academy of Hamburg in which he flatly declared the July 20 plot to be part of the Bundeswehr's "new tradition."

"Our Models." Last week the very man who was briefing Hitler at the time the bomb went off—former Chief of Operations Adolf Heusinger, who survived both

ITALY

Isle of Dreams

For all the beauty of its vivid-hued cliffs and luminous Blue Grotto, Italy's fabled Bay of Naples island of Capri owes its reputation less to its scenery than to two of its former inhabitants. One was the Emperor Tiberius, who retired some 1,900 years ago to a mountaintop villa from which, records Suetonius, "condemned persons, after long and exquisite tortures, used to be hurled, on his orders and in his presence, into the sea." The other was British Author Norman Douglas, whose best-selling *South Wind* (1917) painted a thinly disguised picture of Capri as a haunt of elegant wickedness. Douglas himself was asked to leave Capri by the police when he tried to translate some

the *Capresi* have converted the once charming fishing village of Marina Grande into a boardwalk displaying cheap religious *bibelots* and tinny music boxes that wheeze out the saccharine strains of *The Isle of Cap-ree*.

From Marina Grande most visitors take a shiny new aluminum funicular (cable car) up to the tiny Piazza Umberto, Capri's main square. There the day excursionist mounts the steps behind the piazza—to save money, he does not take a café table—and watches the crowd swirling beneath: men with pink shoes and dyed blond hair, women in sequined torador slacks or skintight shorts.

4 to 1. "The new middle-class Capri does its best to live up to its reputation of the island that takes its name from the goats that used to sport on its hillside. Women visitors to Capri outnumber men 4 to 1. ("That figure," noted an Italian paper tartly last week, "does not include members of the third sex.") Drawn by the abundance of femininity, Italian males drift from one pretty visitor to another, always careful to move on before it comes time to pay the bill. "These men flap around like butterflies," lamented a French girl. "In France we are delicate and have romance."

Touches of Capri's onetime elegance remain. Villages offering a view of Capri's cliffs and of the blue-green sea still command prices as high as \$160,000. Celebrities still flock to Canzone del Mare (Song of the Sea), the pleasant seaside pavilion operated by British Comedienne Gracie Fields. But inexorably the box-lunch crowd is evicting the international set. Last week, when Greek Shipping Magnate Aristotle Onassis moored his yacht off Capri, such Onassis guests as the Winston Churchills and Opera Star Maria Callas did not even bother to go ashore. Sighs Gracie Fields: "Alcatraz was a beautiful island, too."



TOURIST TIME IN CAPRI
Dreamy drift toward delicate dames.

the bomb and arrest in Operation Thunderstorm to become inspector general of the new Bundeswehr—signed an appeal to be read to all troops. He praised the men of July 20 for "their Christian-humanist sense of responsibility," added that "their spirit and their attitudes are our models." It is now defense-force doctrine that a German officer may break his oath of loyalty when his commander in chief sets himself above the law.

In Bonn, Chancellor Konrad Adenauer observed July 20 by laying a wreath at a monument to the victims of the Nazis. In West Berlin, officers of the new Bundeswehr, who had to wear civilian clothes because of the city's quadripartite occupation status, gathered to honor July 20 at the old headquarters of the Wehrmacht on what is now, in memory of the day, called Stauffenberg-strasse. To the Communist East Berlin *Neues Deutschland*, this was "dirty-dog hypocrisy." Snapped West Berlin's Mayor Willy Brandt "Over there, they have good reason to fear a 'rebellion of conscience.'"

of his fancies into reality; nonetheless, he established the island in the world's mind as the nirvana of the rich and jaded.

Last week, swarming to Capri in the thousands, tourists from Stockholm and Skovdegan discovered that Douglas' "isle of dreams is rapidly being converted into a larger Coney Island with peculiar Mediterranean overtones. Last year Capri's 9,000 inhabitants watched 1,250,000 visitors scurry about the island; this year even more tourists are expected. Recoiling at the mere memory of Capri's milling mob of middle-class humanity, one starchy American matron indignantly proclaimed: "And for this I gave up a papal audience."

The Crowd Watchers. Today's typical Capri visitor is not the Roman princeling or wealthy foreign eccentric of old; far more often, he is the earnest German tourist who has come over just for the day on the ferry from Naples (fare, 700) wearing only shorts and sandals, carrying only a camera and a lunch box. And to meet the taste of the new invaders,

EAST GERMANY

Something for the Boys

So far as East Germany's top Communist brass is concerned, proletarian equality is for others. For 20 top Communists and their families, a special construction crew is putting finishing touches on a palatial housing development on 186 acres of forest land near Lake Liepnitz, 15 miles north of Berlin.

An inner compound, surrounded by 6-ft.-high concrete walls, will have 20 twelve-room fieldstone villas, a state-run shopping center, power plant, and a house of culture that features guest rooms, a theater and a ballroom, reported West Berlin's *B.Z.* last week. The shopping center is being stocked with Westphalian ham, Danish chickens, French mushrooms and Crimean champagne, all at PX prices. Other amenities: a safe in each villa for classified documents, a radiation-proof bomb shelter. Outside the inner compound are apartment quarters for 150 servants, and barracks for 100 armed guards, said *B.Z.* The East German press has said nothing at all about it.